

**Local Mandate Fiscal Impact Estimate
Kentucky Legislative Research Commission
2016 Regular Session**

Part I: Measure Information

Bill Request #: 191

Bill #: SB 7

Bill Subject/Title: AN ACT relating to the use of public resources.

Sponsor: Senator Max M. Wise

Unit of Government: City X County X Urban-County
 X Charter County Consolidated Local X Unified Local
 Government

Office(s) Impacted: Local health departments

Requirement: X Mandatory Optional

Effect on
Powers & Duties: Modifies Existing Adds New X Eliminates Existing

Part II: Purpose and Mechanics

The purpose of SB 7 is to prohibit the giving of any public funds to an entity or facility that offers abortion services or that is an affiliate of an entity or facility that offers abortion services. KRS Chapter 311.715 currently prohibits use of public funds to obtain or to pay for an abortion. SB 7, Section 2 would amend KRS 311.715 to also prohibit use of public funds to support abortion *services*. SB 7, Section 1 would amend KRS 311.720 to define “abortion services” to include providing referrals to or information about facilities/individuals that perform abortions, and providing counseling, advice, material or other information that encourages or promotes abortion. The bill would also prohibit public money for other, non-abortion-related medical services going to any entity that offers abortion or abortion services or that affiliates with such entity.

SB 7, Section 2 would amend the definition of “public funds” in KRS 311.715 to provide that any money that comes to the Commonwealth and to any political subdivision of the Commonwealth, “regardless of the original source of the money” is public funds which may not be applied to obtain or pay for an abortion *or* for abortion services.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

As written, SB 7 would not increase expenditures or revenue and so would have no fiscal impact on local government; however, the definition of “abortion services” in SB 7 for which public money is prohibited includes “referrals to or information about facilities where abortions are performed or individuals who perform abortions” and such prohibition could jeopardize federal funding for local health department family planning programs.

Kentucky’s sixty-one (61) local health departments are largely funded by federal grant and local property taxes. The Kentucky Department for Public Health (DPH) distributes federal Title X funds for family planning services to each local health department in the state. In accordance with federal law 42 CFR 59.5(a)(5), Title X recipients (including local health departments, the University of Kentucky, and two Kentucky Planned Parenthood sites) shall “[n]ot provide abortion as a method of family planning.” However, 42 CFR 59.5 requires that projects receiving Title X funding must offer pregnant women the opportunity to get information and counseling regarding each of the following options:

- (A) Prenatal care and delivery;
- (B) Infant care, foster care, or adoption; and
- (C) Pregnancy termination.

(ii) If requested to provide such information and counseling, provide neutral, factual information and nondirective counseling on each of the options, and referral upon request, except with respect to any option(s) about which the pregnant woman indicates she does not wish to receive such information and counseling.” (Emphasis added).

DPH and the local health departments must adhere to the federal law or risk losing Title X funding. If any part of the definition of “abortion services” in SB 7 is construed to mean that local health departments are providing such services by providing referrals for abortion or providing requested “factual information and nondirective counseling” about pregnancy termination as required by 42 CFR 59.5, it could jeopardize nearly \$5.6 million in federal Title X dollars that local health departments receive each year. If this funding is discontinued, local tax dollars would have to fully support all family planning services at local health departments throughout the state. For example, passage of the bill could result in additional expense to Lexington-Fayette County Health Department, since one of the current subcontractors providing Family Planning Services on behalf of the Health Department “is an affiliate of an entity... that provides abortion services.” If that contractor can no longer perform the services required by the Title X federal grant award, for example, a pregnancy termination referral, then the Health Department will have to find another contractor to provide family planning services or will have to provide, and fund, those services itself. Either option could result in more taxpayer money being spent to cover these services.

Data Source(s): Kentucky Department of Public Health; LRC Staff

Preparer: Mary Stephens **Reviewer:** JWN **Date:** 1/6/16

